REMARKS

The Applicants respectfully request reconsideration of the present application in view of the foregoing amendments and in view of the reasons that follow.

Claims 58 and 59 are added.

This amendment adds, changes and/or deletes claims in this application. A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, is presented, with an appropriate defined status identifier.

After amending the claims as set forth above, claims 30-54 and 56-59 are now pending in this application.

In paragraphs 3-4 of the Non-Final Office Action, claims 30-54 and 56-57 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Ham (U.S. Pat. No. 6,292,147) in view of Kakihara et al. (U.S. Pat. No. 6,959,282). This rejection is respectfully traversed.

In response to the Amendment and Reply filed March 3, 2008, the current Non-Final Office Action replaces the Mitsugi reference with the Ham reference. In paragraph 5, the current Non-Final Office Action states that "Applicant's arguments with respect to claims 30-54 and 56-57 have been fully considered but they are moot in view of new ground (s) of rejection."

However, the Ham reference suffers from the same deficiencies as the Mitsugi reference with respect to dependent claims 33, 34, 36, 38, 41, 42, 44, 47 and 51-53. As specified below, neither Ham nor Kakihara teach or suggest the elements of these claims, and the Office Action has not pointed out where these elements are present in the cited references. Accordingly, an indication of allowability of these claims is respectfully requested.

Claim 33 recites "wherein the data processor is further configured to price the product based on a date or a time of day" and claims 41 and 51 contain similar recitations.

Claim 34 recites "wherein the data processor is further configured to price the product based on an environmental condition, including a weather condition" and Claim 42 contains a similar recitation. The Office Action states:

As per claim 34 Ham discloses a car (or object) navigation system that is adapted to be installed on a car for estimating a location of the car or object, detecting occuttence of an accident and performing communication data, a location unit for generating car location (see., abstract, figs 2-4, col 1, lines 23-34, col 2, lines 43-60, col 3, lines 9-67).

(Office Action, pp. 3-4). The Office Action has not pointed to any teaching in Ham that a data processor is configured to price the product "based on an environmental condition, including a weather condition."

Claim 36 recites "wherein the data processor is configured to dynamically adjust the price for the product based on the location of the handheld computer" and claims 44 and 52 contain similar recitations.

Claim 38 recites "wherein the handheld computer is further configured to receive a lower price for the product based on the data received from the location circuit" and claims 47 and 53 contain similar recitations.

New claims 58 and 59 have been added directed to the feature of pricing the product further based on user information. Entry and allowance of these claims is respectfully requested.

An indication of allowability of claims 33, 34, 36, 38, 41, 42, 44, 47, 51-53 and 58-59 is respectfully requested.

Turning to the independent claims, and beginning with Claim 30, this Claim is directed to a system for pricing a product comprising a handheld computer which comprises a location circuit and a wireless transceiver. In one exemplary embodiment, such as that recited in

dependent Claim 36, as a person moves about carrying the handheld computer (e.g., in the person's hand, in a pocket, in a briefcase, etc.) from one location to another, a data processor can be configured to receive location data for the handheld computer and to dynamically set a price for a product based on the location. For example, the person may be offered a special price on a product as the person approaches a retail location with the handheld computer. Other advantageous scenarios are contemplated. For example, as recited in dependent Claim 38, a lower price may be received by the handheld computer for a product based on data, such as a distance between the location of the handheld computer and a provider of the product.

The Ham reference is directed to a self-positioning GPS antenna, which can be incorporated into a cellular phone. (Ham, col. 3 lines 11-13). Ham fails to provide any description of setting a price for a product based on location data.

Kakihara is directed to an in-vehicle device including a navigation system. (Kakihara, Fig. 3). A GPS antenna is mounted on the vehicle. (Kakihara, col. 39 line 48). Toll charges are made when a vehicle enters a charging area. Later excursions from the charging areas into a buffer area and returns from the buffer area to the charging area are not double charged. (Kakihara, Abstract).

The Office Action states:

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the navigation system for cars of Ham by including an insurance product or company that is connected to the navigation system as taught by Kakihara Murakami since it is an alternate means for acquiring insurance information about the location of a car/object.

It is respectfully submitted that the Office Action does not provide an articulated reasoning having a rational underpinning for combining the Ham and Kakihara references. Pursuant to MPEP 2141, Section III:

The key to supporting any rejection under 35 U.S.C. 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. The Supreme Court in *KSR* noted that the analysis supporting a rejection under 35 U.S.C. 103 should be made explicit. The Court quoting *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006), stated that "[R]ejections on obviousness cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *KSR*, 550 U.S. at , 82 USPQ2d at 1396.

The Office Action states that the "navigation system for cars of Ham" can be modified "by including an insurance product or company that is connected to the navigation system as taught by Kakihara Murakami." This combination, however, would result in combining a navigation system for cars of Ham with a navigation system mounted in a vehicle of Kakihara. Even if this combination were proper, it would not teach a handheld computer as recited in Claim 30. Thus, the Office Action does not provide an articulated reasoning having a rational underpinning for combining the Ham and Kakihara references to arrive at the system of Claim 30.

Further, the combination of Ham and Kakihara would destroy the intended purpose of the system of Kakihara. Kakihara's navigation system is an "in-vehicle device" having a GPS antenna "mounted on the vehicle." (Kakihara, col. 39 lines 12 and 48). The navigation system must be mounted on the vehicle in order to serve the purpose of providing a "toll collection arrangement based on the position and travel of a vehicle." (Kakihara, Abstract). If components of the Kakihara system are moved into the cellular phone of Ham, the intended purpose of Kakihara (e.g., improved toll collection for a vehicle) would be destroyed. The modified device could be removed from the car, frustrating the purpose of reliable toll collection for a vehicle.

The rejection of all of claims 30-54 and 56-57 relies on the combination of Ham and Kakihara. Since the combination is improper, reconsideration and withdrawal of the rejection of all of these claims is respectfully requested.

The Applicants believe that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by a check or credit card payment form being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of papers submitted herewith, the Applicants hereby petition for such extension under 37 C.F.R. § 1.136 and authorize payment of any such extensions fees to Deposit Account No. 19-0741.

	Respectfully submitted,
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